

**DEPARTMENT OF AGRICULTURE,
TRADE AND CONSUMER PROTECTION**

GOVERNOR'S BUDGET RECOMMENDATIONS

Source of Funds	FY01 Adjusted Base	FY02 Recommended	% Change Over FY01	FY03 Recommended	% Change Over FY02
GPR	28,477,500	34,525,300	21.2	39,312,200	13.9
PR-F	6,289,100	7,152,200	13.7	7,152,200	0.0
PR-O	13,300,200	12,528,200	-5.8	12,301,200	-1.8
PR-S	4,974,700	6,381,200	28.3	6,536,200	2.4
SEG-O	15,957,800	14,574,300	-8.7	14,842,400	1.8
TOTAL	68,999,300	75,161,200	8.9	80,144,200	6.6

FULL-TIME EQUIVALENT POSITION SUMMARY

Source of Funds	FY01 Adjusted Base	FY02 Recommended	FTE Change From FY01	FY03 Recommended	FTE Change From FY02
GPR	292.61	312.91	20.30	312.91	0.00
PR-F	69.52	68.52	-1.00	68.52	0.00
PR-O	185.64	169.67	-15.97	169.67	0.00
PR-S	43.33	43.83	0.50	43.83	0.00
SEG-O	73.25	78.72	5.47	78.72	0.00
TOTAL	664.35	673.65	9.30	673.65	0.00

AGENCY DESCRIPTION

The department is headed by an eight-member board, including two consumer representatives, appointed by the Governor with the advice and consent of the Senate for staggered six-year terms. The Governor appoints a secretary to administer the department. The mission of the department is to assure the safety and quality of food, healthy animals and plants, efficient use of agricultural resources in a quality environment, fair business practices for the buyer and seller, and to promote the interests of agriculture. The department's programs are administered through six divisions: Food Safety; Trade and Consumer Protection; Animal Health; Marketing; Agricultural Resource Management; and Management Services.

The office of the secretary includes the deputy secretary, executive assistant and legal counsel. Attached directly to the secretary's office are the federal-state Agricultural Statistics Service and the Office of Outreach and Policy.

MISSION

The mission of the department is to serve the citizens of Wisconsin by developing, implementing and communicating public policies that:

- Promote, protect and strengthen the financial soundness and competitive viability of Wisconsin's agricultural industry.
- Assure citizens' safety, security and confidence in the agricultural and nonagricultural products and services of our marketplace.

PROGRAMS, GOALS, OBJECTIVES AND ACTIVITIES

Program 1: Food Safety and Consumer Protection

Goal: Assure fair business practices for buyers and sellers and safe products for consumers and the environment by establishing and enforcing legal standards, by mediating disputes between consumers and businesses, and by providing consumer education and information to Wisconsin citizens.

Objective/Activity: Return to consumers and government money gained through unfair business practices.

Program 3: Marketing Services

Goal: Identify and develop new profit centers and opportunities for farmers and agribusiness and provide information, programs and services that can result in increased income. Create an environment that fosters new development and opportunities in agriculture.

Objective/Activity: Develop a more diversified and profitable agriculture industry in Wisconsin through agricultural development and diversification grants and educational/outreach activity.

Program 7: Agricultural Resource Management

Goal: Improve environmental, public health and livestock protection in Wisconsin.

Objective/Activity: Reduce the danger of unintended exposure to agricultural pesticides and other hazardous farm chemicals.

Program 8: Central Administrative Services

Goal: Support the vision and goals of the department by partnering with management and staff to provide information, advice and expertise that support the needs of the business.

Objective/Activity: Resolve computer/computer user problems, to the user's satisfaction, in a timely manner.

PERFORMANCE MEASURES

Prog. No.	Performance Measure	Actual 2000	Goal 2001	Goal 2002	Goal 2003
1.	Money returned to consumers, fines and forfeitures.	\$4.1 million*	\$4.2 million	\$4.2 million	\$4.3 million
3.	New products/markets developed.	28%**	30%***	31%***	32%***
7.	Amount of unwanted agricultural pesticides and other hazardous farm chemicals collected at Agricultural Clean Sweep collection sites.	150,000* pounds	150,000 pounds	150,000 pounds	150,000 pounds
8.	Percentage of all computer hardware/software/user problems, reported to the Help Desk, resolved within the month.	90%*	92%	94%	96%

Note: All numbers are based on calendar year, except Program 3 which is based on September year-end.

* Projection.

** Average annual rate between 1989-1998.

*** Grant year 1997 project goal is measured by survey data in 2001, grant year 1998 project goal is measured by survey data in 2002 and grant year 1999 project goal is measured by survey data in 2003.

**DEPARTMENT OF AGRICULTURE,
TRADE AND CONSUMER PROTECTION**

GOVERNOR'S BUDGET RECOMMENDATIONS

RECOMMENDATIONS

1. Land and Water Resource Management
2. Farmland Preservation Credit Payback
3. Drainage Districts
4. Producer Security Fund
5. Ethanol Grant Program
6. Agricultural Development and Diversification Grants
7. Lead Arsenate Contamination
8. Plant Pest Management
9. Integrated Pest Management in the Schools
10. Johne's Disease Staffing
11. Telephone Solicitation Regulation
12. Consumer Protection
13. Federal Agricultural Policy Reform
14. Appropriation Consolidation
15. Eliminate Obsolete Statutes
16. Minor Technical Items
17. Debt Service Reestimate
18. Budget Efficiency Measures
19. Standard Budget Adjustments

ITEMS NOT APPROVED

20. DATCP Inspection System
21. Conservation Reserve Enhancement Program
22. Combine Principal Repayment and Interest

Table 1
Department Budget Summary by Funding Source (in thousands of dollars)

	ACTUAL FY00	ADJUSTED		GOVERNOR'S RECOMMENDATION		
		BASE FY01	AGENCY REQUEST FY02	FY03	FY02	FY03
GENERAL PURPOSE REVENUE	\$25,132.3	\$28,477.5	\$28,891.0	\$29,176.6	\$34,525.3	\$39,312.2
State Operations	21,059.6	20,548.2	20,961.7	21,087.3	22,624.7	24,411.6
Local Assistance	2,887.9	6,615.7	6,615.7	6,615.7	10,587.0	10,587.0
Aids to Ind. & Org.	1,184.8	1,313.6	1,313.6	1,473.6	1,313.6	4,313.6
FEDERAL REVENUE (1)	6,389.5	6,289.1	7,087.7	7,087.7	7,152.2	7,152.2
State Operations	6,389.5	6,289.1	7,087.7	7,087.7	7,152.2	7,152.2
PROGRAM REVENUE (2)	17,986.1	18,274.9	19,119.9	18,698.5	18,909.4	18,837.4
State Operations	17,986.1	18,274.9	19,119.9	18,698.5	18,909.4	18,837.4
SEGREGATED REVENUE (3)	11,178.7	15,957.8	19,271.4	19,698.5	14,574.3	14,842.4
State Operations	8,854.4	6,799.5	10,096.3	10,523.4	10,275.3	10,543.4
Local Assistance	180.2	5,419.7	5,436.5	5,436.5	560.4	560.4
Aids to Ind. & Org.	2,144.1	3,738.6	3,738.6	3,738.6	3,738.6	3,738.6
TOTALS-ANNUAL	60,686.6	68,999.3	74,370.0	74,661.3	75,161.2	80,144.2
State Operations	54,289.6	51,911.7	57,265.6	57,396.9	58,961.6	60,944.6
Local Assistance	3,068.1	12,035.4	12,052.2	12,052.2	11,147.4	11,147.4
Aids to Ind. & Org.	3,328.9	5,052.2	5,052.2	5,212.2	5,052.2	8,052.2

(1) Includes Program Revenue-Federal and Segregated Revenue-Federal

(2) Includes Program Revenue-Service and Program Revenue-Other

(3) Includes Segregated Revenue-Service, Segregated Revenue-Other and Segregated Revenue-Local

Table 2
Department Position Summary by Funding Source (in FTE positions) (4)

	ADJUSTED		GOVERNOR'S RECOMMENDATION		
	BASE FY01	AGENCY REQUEST FY02	FY03	FY02	FY03
GENERAL PURPOSE REVENUE	292.61	292.61	292.61	312.91	312.91
FEDERAL REVENUE (1)	69.52	68.52	68.52	68.52	68.52
PROGRAM REVENUE (2)	228.97	213.50	213.50	213.50	213.50
SEGREGATED REVENUE (3)	73.25	89.72	89.72	78.72	78.72
State Operations	62.25	78.72	78.72	78.72	78.72
Local Assistance	11.00	11.00	11.00		
TOTALS-ANNUAL	664.35	664.35	664.35	673.65	673.65
State Operations	653.35	653.35	653.35	673.65	673.65
Local Assistance	11.00	11.00	11.00		

(1) Includes Program Revenue-Federal and Segregated Revenue-Federal

(2) Includes Program Revenue-Service and Program Revenue-Other

(3) Includes Segregated Revenue-Service, Segregated Revenue-Other and Segregated Revenue-Local

(4) All positions are State Operations unless otherwise specified

Table 3
Department Budget Summary by Program (in thousands of dollars)

	ACTUAL FY00	ADJUSTED BASE FY01	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY02	FY03	FY02	FY03
1. Food safety and consumer protection	\$22,277.2	\$24,073.5	\$27,091.4	\$27,116.5	\$26,556.0	\$29,556.0
2. Animal health services	6,549.8	2,647.8	2,750.6	2,750.6	2,768.2	2,768.1
3. Marketing services	3,056.9	3,425.6	3,602.5	3,602.5	3,602.5	3,602.5
4. Agricultural assistance	1,349.0	1,345.0	1,345.0	1,505.0	1,670.0	1,830.0
7. Agricultural resource management	18,018.9	27,041.6	27,419.9	27,495.2	28,753.1	30,581.2
8. Central administrative services	9,434.8	10,465.8	12,160.6	12,191.5	11,811.4	11,806.4
TOTALS	60,686.6	68,999.3	74,370.0	74,661.3	75,161.2	80,144.2

Table 4
Department Position Summary by Program (in FTE positions) (4)

	ADJUSTED BASE FY01	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY02	FY03	FY02	FY03
1. Food safety and consumer protection	376.30	375.30	375.30	383.60	383.60
2. Animal health services	33.00	33.00	33.00	34.00	34.00
3. Marketing services	38.10	38.10	38.10	38.10	38.10
7. Agricultural resource management	109.75	107.75	107.75	107.75	107.75
8. Central administrative services	107.20	110.20	110.20	110.20	110.20
TOTALS	664.35	664.35	664.35	673.65	673.65

(4) All positions are State Operations unless otherwise specified

1. Land and Water Resource Management

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	4,876,100	11.00	4,876,100	11.00
SEG-O	0	0.00	0	0.00	-4,876,100	-11.00	-4,876,100	-11.00
TOTAL	0	0.00	0	0.00	0	0.00	0	0.00

The Governor recommends \$7 million in new GPR-supported general obligation bonding for grants to counties for implementation of land and water resource management plans, including cost-share grants to landowners for installation of practices to improve water quality through reduction of nutrients discharged to waters of the state. In addition, limit the Department of Natural Resources and Land and Water Conservation Board's authority to extend priority watershed ending dates beyond those in effect on January 1, 2001. The Governor also recommends converting and consolidating nonpoint source pollution abatement appropriations to more accurately reflect the source of funding for this program. See Miscellaneous Appropriations, Item #4.

2. Farmland Preservation Credit Payback

The Governor recommends modifying the credit payback requirement of the Farmland Preservation Program by replacing the property lien with a flat per acre conversion fee. A landowner would be required to pay a \$50 per acre fee prior to release from a farmland preservation agreement or a \$60 per acre fee prior to removal of the land from exclusive agricultural zoning.

3. Drainage Districts

The Governor recommends streamlining the Department of Natural Resources (DNR) drainage district permit process associated with removing dams or obstructions, or dredging, widening or straightening a navigable stream. In addition, exempt activities performed by a drainage district primarily for agricultural purposes from DNR permitting requirements if the activity is approved by the department after consulting with DNR.

4. Producer Security Fund

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	-414,500	-12.12	-828,500	-12.12	-588,100	-12.12	-828,500	-12.12
SEG-O	2,764,600	12.12	3,178,700	12.12	2,938,100	12.12	3,178,500	12.12
TOTAL	2,350,100	0.00	2,350,200	0.00	2,350,000	0.00	2,350,000	0.00

The Governor recommends replacing the current milk, grain and vegetable producer security programs with a producer security fund. The fund will reimburse producers for defaults by warehouses and processors. Fund revenue will derive from a variety of license and inspection fees. The fund will receive an initial loan of \$2,000,000 SEG from the agrichemical management fund and will be backed by surety bonds. The Governor also recommends transferring 12.12 FTE PR-O positions and associated PR-O spending authority from the current security program appropriations to a new SEG fund appropriation. The producer security fund will free approximately \$170 million in industry capital and reduce industry costs by approximately \$20 million over ten years. This item is part of the Governor's Rural Economic Development Initiative. See details of the entire initiative under the Office of the Governor, Item #1.

5. Ethanol Grant Program

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	0	0.00	3,000,000	0.00
TOTAL	0	0.00	0	0.00	0	0.00	3,000,000	0.00

The Governor recommends funding the ethanol grant program in FY03. Under 1999 Wisconsin Act 55, producers of ethanol may receive a 20 cent per gallon subsidy on the production of up to 15 million gallons annually. This item is part of the Governor's Rural Economic Development Initiative. See details of the entire initiative under the Office of the Governor, Item #1.

6. Agricultural Development and Diversification Grants

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	160,000	0.00	0	0.00	0	0.00
PR-S	0	0.00	0	0.00	325,000	0.00	485,000	0.00
TOTAL	0	0.00	160,000	0.00	325,000	0.00	485,000	0.00

The Governor recommends providing Indian gaming revenue to increase the agricultural development and diversification grant program. The Governor also recommends authorizing the department to make grants and provide technical assistance to support preliminary research to increase the value of agricultural products. This item is part of the Governor's Rural Economic Development Initiative (see details of the entire initiative under the Office of the Governor, Item #1). See Department of Administration, Item #23.

7. Lead Arsenate Contamination

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
SEG-O	0	0.00	0	0.00	5,500	0.00	20,200	0.00
TOTAL	0	0.00	0	0.00	5,500	0.00	20,200	0.00

The Governor recommends converting a vacant position and providing additional spending authority from the agrichemical management fund for a program to track properties that have been contaminated with pesticides made with lead arsenate. Lead arsenate pesticides were used extensively on apple and cherry orchards from around 1900 to the 1950s. Because of serious health effects, lead arsenate pesticides have been banned in the United States.

8. Plant Pest Management

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	0	0.00	0	0.00	5,700	0.00	15,500	0.00
SEG-O	54,600	0.00	75,600	0.00	54,600	0.00	75,600	0.00
TOTAL	54,600	0.00	75,600	0.00	60,300	0.00	91,100	0.00

The Governor recommends the conversion of a vacant position and increased funding to improve inspection of nursery stock and Christmas trees and control of plant pests such as the gypsy moth and pine shoot beetle. The Governor also recommends expanding the department's pest-abatement authority to nonagricultural lands.

9. Integrated Pest Management in the Schools

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
SEG-O	118,200	1.00	121,200	1.00	118,200	1.00	121,200	1.00
TOTAL	118,200	1.00	121,200	1.00	118,200	1.00	121,200	1.00

The Governor recommends converting 1.0 FTE SEG project position to permanent and providing funding from the agrichemical management fund to continue and expand the K-12 integrated pest management (IPM) training program. The program assists public and private school staff in the use of IPM to reduce pesticide exposure to children and staff.

10. Johne's Disease Staffing

The Governor recommends transferring a vacant position from the agricultural resource management program to support the Johne's livestock disease control program.

11. Telephone Solicitation Regulation

The Governor recommends improving telephone solicitation regulation by: (a) requiring telephone solicitors to disclose their names, the purpose of the call, whether they are employed by a telemarketing firm, and the business on behalf of which they are calling; (b) prohibiting telephone solicitation of persons who have provided written notice that they do not wish to receive such solicitation; and (c) prohibiting telephone solicitors from blocking caller ID. These regulations may be enforced by the department or by district attorneys after consulting with the department. Violators are subject to a civil forfeiture. See District Attorneys, Item #4.

12. Consumer Protection

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	25,000	0.00	808,700	9.30	808,700	9.30
PR-O	100,000	0.00	100,000	0.00	100,000	0.00	100,000	0.00
TOTAL	100,000	0.00	125,000	0.00	908,700	9.30	908,700	9.30

The Governor recommends transferring 9.3 FTE GPR consumer protection positions and related spending authority to the department from the Department of Justice (see Department of Justice, Item #8). This action will complete the transfer of consumer protection resources to the department from the Department of Justice that was begun in the 1995-97 biennial budget to improve the efficiency and effectiveness of state consumer protection efforts. The Governor also recommends imposing a ten percent fee on court-ordered consumer protection fines and forfeitures and using the revenue generated to offset rising investigation costs and to fund additional investigations.

13. Federal Agricultural Policy Reform

The Governor recommends continuing to provide \$50,000 GPR annually to support the collective efforts of Midwestern states and organizations toward achieving meaningful reform of federal agricultural policy. This item extends the sunset date of the federal policy reform appropriation to 2005.

14. Appropriation Consolidation

The Governor recommends consolidating certain appropriations relating to: (a) gifts and grants; (b) state contractual services; (c) marketing general program operations; (d) plant protection; (e) central administrative services general program operations; (f) laboratory services; and (g) agrichemical management.

15. Eliminate Obsolete Statutes

The Governor recommends repealing the World Dairy Center Authority because it has completed its mission. The Governor also recommends eliminating the farms for the future fund because no federal revenues for this purpose have been received.

16. Minor Technical Items

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	704,400	0.00	704,400	0.00	704,400	0.00	704,400	0.00
PR-O	-194,300	-3.85	-194,300	-3.85	-194,300	-3.85	-194,300	-3.85
PR-S	1,109,900	0.50	1,098,900	0.50	1,045,400	0.50	1,040,400	0.50
SEG-O	345,400	3.35	334,400	3.35	345,400	3.35	334,400	3.35
TOTAL	1,965,400	0.00	1,943,400	0.00	1,900,900	0.00	1,884,900	0.00

The Governor recommends the following minor technical items: (a) repeal the inactive mink research program; (b) allow the department to collect fees for aquaculture veterinary training; (c) adjust funding sources for 6.5 FTE administrative and laboratory positions; (d) reestimate base funding for information technology and federal funds; and (e) increase chargeback rates for use of laboratory equipment.

17. Debt Service Reestimate

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	962,700	0.00	2,745,900	0.00
TOTAL	0	0.00	0	0.00	962,700	0.00	2,745,900	0.00

The Governor recommends adjustments in the agency's base to reflect a reestimate of debt service on authorized bonds.

18. Budget Efficiency Measures

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	-1,013,200	0.00	-1,013,200	0.00
TOTAL	0	0.00	0	0.00	-1,013,200	0.00	-1,013,200	0.00

The Governor recommends reducing the agency's largest GPR state operations appropriation in the amounts shown to create additional operational efficiencies. If within 90 days of the publication of the budget bill the agency submits a plan to the Department of Administration and the Joint Committee on Finance to reallocate some or all of the reductions to other sum certain state operations appropriations within the agency, the secretary of the Department of Administration will forward any approved reallocation plans to the Joint Committee on Finance for its review and approval.

19. Standard Budget Adjustments

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	413,500	0.00	417,200	0.00	413,500	0.00	417,200	0.00
PR-F	94,200	-1.00	94,200	-1.00	158,700	-1.00	158,700	-1.00
PR-O	207,800	0.00	211,400	0.00	-95,300	0.00	-91,700	0.00
PR-S	36,100	0.00	36,100	0.00	36,100	0.00	36,100	0.00
SEG-O	30,800	0.00	30,800	0.00	30,800	0.00	30,800	0.00
TOTAL	782,400	-1.00	789,700	-1.00	543,800	-1.00	551,100	-1.00

The Governor recommends adjustments to the agency's base budget for: (a) turnover reduction (-\$402,300 in each year); (b) removal of noncontinuing elements from the base (-1.0 FTE position in each year); (c) full funding of continuing position salaries and fringe benefits (\$896,000 in each year); (d) reclassifications (\$29,000 in FY02 and \$36,300 in FY03); (e) BadgerNet increases (\$3,200 in each year); and (f) fifth week of vacation as cash (\$17,900 in each year).

ITEMS NOT APPROVED

The following requests are not included in the Governor's budget recommendations for the Department of Agriculture, Trade and Consumer Protection.

Decision Item	Source of Funds	FY02		FY03	
		Dollars	Positions	Dollars	Positions
20. DATCP Inspection System	GPR	0	0.00	41,900	0.00
21. Conservation Reserve Enhancement Program	GPR	0	0.00	55,000	0.00
22. Combine Principal Repayment and Interest	GPR	0	0.00	0	0.00
TOTAL OF ITEMS NOT APPROVED	GPR	0	0.00	96,900	0.00